



Quarterly Report

Q1 2023

PHOTOCURE.COM/INVESTORS-HUB/INVESTORS-EVENTS-AND-PRESENTATIONS



THE
BLADDER CANCER
COMPANY



Highlights for first quarter 2023

(Numbers in parentheses and comparisons are for the corresponding period in 2022.)

- Hexvix®/Cysview® revenue in the first quarter of 2023 increased 30% to NOK 105.9 million compared to the same period last year (NOK 81.4 million). The increase was primarily due to higher unit volumes, price increases and a benefit from foreign exchange. Sequentially, product sales increased 12% from Q4 2022.
- At the end of the first quarter of 2023, the installed base of blue light cystoscopy (BLC®) systems in the U.S. was 388, an increase of 20% or 64 units since the first quarter of 2022. The installed base in the U.S. includes 69 flexible BLC systems.
- North America unit sales exhibited a return to growth in Q1 2023 increasing 16% YoY, as the new capital equipment placed in Q4 2022 is becoming productive.
- European unit sales increased 6% YoY in the first quarter, also demonstrating a return to growth.
- EBITDA for the first quarter was NOK -1.2 million (NOK -13.9 million) due primarily to the YoY increase in sales. Operating expenses increased to NOK 100.9 million (NOK 89.5 million), mainly driven by exchange rate effects. Sequentially, operating expenses declined 13% from Q4 2022.
- Photocure reiterates its guidance for 2023 and expects new Saphira™ blue light tower installations in the U.S. in the range of 65 to 75, consolidated product revenue growth above 20%, and positive EBITDA excluding business development spending.

Key Figures:

<i>Figures in NOK million</i>	Q1 2023	Q1 2022	Change	FY 2022
Hexvix/Cysview revenues	105.9	81.4	30%	373.0
Other revenues	0.3	0.3	-	20.1
Total revenues	106.2	81.6	30 %	393.1
Operating expenses	-100.9	-89.5	13 %	-395.1
EBITDA	-1.2	-13.9		-24.6
EBITDA commercial franchise	0.6	-11.4		-34.6
EBITDA development portfolio	-1.7	-2.5		10.0
EBIT	-7.7	-19.9		-49.0
Net Earnings	-11.7	-22.0		-71.9
Cash & cash equivalents	246.0	285.5		268.1

President & CEO Dan Schneider comments:

"Photocure delivered strong results in the first quarter of 2023, with revenue in both our North America and European territories rebounding significantly from the unusually soft fourth quarter last year. Hexvix/Cysview sales increased 30% year over year driven by higher unit sales, price increases and foreign exchange. Sequentially, product sales were up 12% from Q4 2022. Typically, the first quarter is seasonally lower than the preceding fourth quarter, however the recent pattern is indicative of unusual circumstances.

In the U.S., we achieved a record first quarter with each month of Q1 2023 marking a new historic high. The installed base of blue light capital equipment expanded once again, with 30 new Saphira™ tower installations in Q1 – 18 new placements and 12 upgrades. Upgrading accounts is a key initiative in 2023, in addition to new account growth. Importantly, 4 accounts that purchased new high-definition equipment moved their legacy standard-definition towers to another location creating additional blue-light enabled facilities. Our flexible BLC business continued to perform in Q1. Given Karl Storz's decision to cease supporting flexible blue light equipment when parts are no longer available, we will increasingly focus on the rigid cystoscopy segment during the year. Flexible BLC kit sales represent approximately 5% of our total annual revenue, and we will work to offset the phase



down of blue light surveillance revenue with kit sales in the surgical segment. Demand for rigid BLC equipment remains strong, and we continue to expect a record year for new blue light tower installations in the U.S.

In Europe, our team is also focused on image quality upgrades across the large installed base in that region. Image quality upgrades in Europe include monitor or light cable replacements, as well as complete system upgrades. Olympus is the only major blue light manufacturer that has not yet upgraded to high-definition equipment, and we expect the launch of their new system later this year or in early 2024. We believe that an upgrade of Olympus's blue light system will re-energize growth in the Nordic region, which has been under pressure because of the poor image quality of this dominant equipment supplier, particularly in Denmark.

BLC system and image quality upgrades are proving to be a key business driver for Photocure. The new cycle of high-definition equipment is expected to increase usage of Hexvix/Cysview given the significantly improved image quality and usability. Assuming the Citizen's Petition for FDA to re-classify BLC is successful, we believe that multiple new equipment manufacturers will enter the market and create the critical mass to make BLC standard of care in bladder cancer management.

Sequentially, our total expenses decreased 13% from Q4 2022 given the lower business development costs. Year-over-year, the increase in expenses was primarily driven by foreign exchange. Despite our expense discipline, we continued to increase our presence at key medical conferences and invest in generating data to support blue light awareness and usage. Momentum for blue light cystoscopy is building in the urology community. So far this year, two peer-reviewed papers have been published on the benefits of BLC with Cysview®, and blue light cystoscopy was the subject of 4 abstracts at two major urology conferences – EAU and AUA.

Our business is on the upswing with several initiatives to drive growth this year such as BLC system and image quality upgrades and new account growth in North America and in Europe. Other events and activities to watch include the potential for re-classification of BLC equipment in the U.S., the pursuit of a solution to develop and commercialize of new flexible BLC cystoscopes, and anticipated Phase 3 results from our partner Asieris for both Hexvix in China and Cevira later this year. 2023 promises to be an exciting year for Photocure, and we look forward to executing on our business plan and creating value for our stakeholders."

Operational review

Photocure ASA (Photocure or the Company) delivers transformative solutions to improve the lives of bladder cancer patients.

Photocure manufactures and commercializes Hexvix/Cysview, its flagship product, for more precise detection and resection of non-muscle invasive bladder cancer (NMIBC), reduction of disease recurrence and progression rates, and improved and cost-effective patient outcomes.

With established specialty commercial and medical teams in North America (U.S. and Canada) and Europe focused exclusively on the uro-oncology segment, Photocure has a solid foundation for the future growth of its breakthrough bladder cancer product, as well as the potential to expand its portfolio of solutions within the same uro-oncology domain.

Photocure continues to strive for ethical business operations, transparency and accountability in line

with stakeholder expectations. In May 2021, the Company joined the UN Global Compact and in April 2023, Photocure published its sustainability (ESG) report for the year 2022, which can be accessed on the Company's website.

Commercial segment update

Photocure's first quarter 2023 results benefited from a recovery in unit sales volume from the fourth quarter of 2022 in both the North American and European territories. The launch of Saphira™, Karl Storz's upgraded high-definition blue light capital equipment, continues to drive increased awareness and usage of BLC. Residual effects from the Covid-19 pandemic such as healthcare staffing shortages and hospital budget tightening continued to present challenges, but to a lesser extent during Q1 2023 compared to quarterly periods in 2022.

In each month during the first quarter of 2023, North American unit sales were the highest in the Company's history. Revenues from Photocure's North American segment increased 38% in the first quarter



of 2023, with unit sales up 16% YoY. The increase in revenue was primarily due to higher unit volumes, a price increase, and a benefit from foreign exchange.

Revenues from the Company's European segment increased 26% in the first quarter of 2023 YoY, with in-market unit sales up 6% compared to the first quarter of 2022. The sales results in the European segment also benefitted from foreign exchange.

The consolidated currency impact on sales revenue was NOK 11 million in the first quarter of 2023.

Income statement - Commercial Franchise

MNOK	Q1 '23	Q1 '22	FY '22
North America revenues	42.1	30.5	150.8
Europe revenues	63.6	50.4	221.8
Partner revenues	0.2	0.4	0.4
Hexvix/Cysview total	105.9	81.4	373.0
<i>YoY growth</i>	<i>30%</i>		
Other revenues	0.3	0.3	1.5
Total revenues	106.2	81.6	374.5
<i>YoY growth</i>	<i>30%</i>		
Gross profit	99.8	75.6	351.8
Operating expenses	-99.2	-87.0	-386.6
EBITDA	0.6	-11.4	-34.8
<i>EBITDA margin</i>	<i>1%</i>	<i>-14%</i>	<i>-9%</i>

Total Hexvix/Cysview revenue increased 30% to NOK 105.9 million in Q1 2023, from the NOK 81.4 million reported in the same period in 2022. The results were mainly driven by higher unit sales growth in North America and Europe, price increases in both territories and the positive impact of foreign exchange.

Other revenues included sales to license partners and revenue from Hivec sales associated with the Company's distribution agreement with Combat Medical in the Nordic region.

Operating expenses in the first quarter increased 14% YoY to NOK 99.2 million (NOK 87.0 million) and decreased 12% versus the fourth quarter of 2022. The YoY increase was mainly driven by a negative impact from foreign exchange. The decrease in operating expenses versus Q4 2022 was mainly driven by lower business development costs in Q1 2023.

First quarter 2023 EBITDA was NOK 0.6 million, an increase of NOK 12.0 million from the first quarter of 2022 (NOK -11.4 million). The increase was mainly

due to higher sales in the 2023 period, partially offset by the higher operating expenses year over year.

Hexvix/Cysview

Global in-market unit sales volume increased 8% in the first quarter of 2023. The increase was mainly driven by normalization of market conditions compared to the surge of Covid-19 in Q1 2022. Unit sales increased 8% sequentially from Q4 2022.

North America Cysview Segment

Q1 2023 Cysview revenues in North America increased by 38% YoY to NOK 42.1 million (NOK 30.5 million). The increase was driven by 16% higher unit sales due in part to the new high-definition tower placements in Q4, 3% higher pricing for Cysview kits, and a NOK 5.6 million benefit from foreign exchange.

Sequentially, unit sales in North America rose 9% in Q1 2023 compared to Q4 2022, which is an atypical pattern that highlights the unusually weak ordering trends in the fourth quarter of 2022. Photocure continues to increase Cysview's penetration of TURBT procedures in the U.S., as the Company achieved its highest first quarter performance in the territory in Photocure's history.

Going forward, growth in U.S. unit volume is anticipated to be driven by focused sales resources and further penetration of Cysview in the surgical setting. Photocure continues to expect the U.S. to be the fastest growing segment of its business over the next several years.

At the end of the first quarter of 2023, the total installed base of blue light cystoscopes in the U.S. was 388, an increase of 20% or 64 units since the first quarter of 2022 (324). The 64 blue light towers placed since the end of Q1 2022 consisted of 48 rigid cystoscopes and 16 flexible cystoscopes. In early 2023, Karl Storz announced that it will no longer sell flexible BLC equipment for use in the surveillance setting and will cease servicing existing units when there is no availability of replacement parts, anticipated in late 2023. Photocure estimates that new installations of flexible BLC equipment in 2023 would have contributed 2% to total revenue growth during the year, and that the existing base of revenue associated with flexible BLC procedures accounts for approximately 5% of total revenue. Despite Karl Storz' decision, flexible BLC in the surveillance setting remains a strategic priority for Photocure, and the Company plans to pursue initiatives to restore this specialized equipment in the U.S. and in international markets in the future. Until a solution is achieved,



Photocure will focus its commercial efforts on the market for TURBT surgeries using rigid blue light cystoscopes and on establishing BLC as standard-of-care in this market segment.

European Hexvix Segment

In the first quarter of 2023, revenues in the Company's European segment increased by 26% to NOK 63.6 million (NOK 50.4 million), while unit sales increased by 6% YoY. Revenue for the European segment was mainly driven by the 6% higher unit sales, higher pricing in the German market, and a NOK 5.7 million benefit from foreign exchange.

Since Photocure's acquisition of the European territories outside of the Nordic countries in October 2020, the Company has focused on a strategy to re-engage with physicians, key opinion leaders, and capital equipment manufacturers to rebuild or enter major markets in continental Europe. Germany is the largest market for Hexvix/Cysview and is continuing to experience staffing shortages. Returning Germany to meaningful growth is a key initiative for the Company's European commercial organization. Photocure is also focused on growing demand for Hexvix in large, underpenetrated countries such as the U.K., France and Italy, referred to as the Company's "priority growth markets". Photocure has seen early success in these priority markets, where sales declines have ceased, and growth has returned since the Company acquired the territories.

Performance of the European business has been pressured by a decline in sales of Hexvix in the Nordic region, particularly in Denmark. This is related to the dominant capital equipment provider in Denmark and Norway, Olympus, which has not yet upgraded its blue light cystoscopy equipment to high-definition. Olympus is in the process of obtaining regulatory approvals for its high-definition blue light system, which Photocure expects will increase the use of Hexvix in these markets. Olympus is expected to launch its upgraded blue light system toward the end of 2023 or early 2024. In other smaller Nordic markets such as Sweden and Finland where Olympus is not the dominant equipment provider, Hexvix sales have been stable to growing.

The Company intends to enter other large unpenetrated European countries such as Spain and Poland in the future.

Hexvix/Cysview partner sales

Due to reimbursement and ongoing staffing challenges, as well as partner transitions, partnership revenues in the first quarter of 2023 were limited.

In August 2021, Photocure announced that it regained commercial rights to Cysview in Canada from its licensee BioSynt. On January 3, 2022, Photocure announced that it had launched its own commercial operations in Canada combining this territory with its U.S. business to form the Company's North American business segment. The Company believes that these changes, coupled with the lifting of Covid-19 restrictions will begin to yield positive results in 2023 and beyond.

In March 2022, the Company announced that it had terminated its distribution agreement with Juno Pharmaceuticals and simultaneously entered into an exclusive distribution agreement with Endotherapeutics Group to commercialize Hexvix in Australia and New Zealand. Endotherapeutics focuses on serving the urology market.

In January 2021, Photocure entered into a partnership agreement with Asieris, a division of Jiangsu Yahong Meditech Co., Ltd., whereby Asieris obtained exclusive rights to register and commercialize Hexvix in Mainland China and Taiwan. The Company received an upfront payment of USD 750,000 from Asieris for the rights to Hexvix in the designated territories and has potential to receive additional payments of up to USD 1.4 million for the achievement of certain regulatory milestones including market approvals in Mainland China and Taiwan. Photocure will manufacture and supply Hexvix and receive a transfer price from Asieris representing a markup on product provided under the agreement and will also receive royalties on any product sales.

In December 2021, Asieris announced that Hexvix was put into pilot use in the Boao Lecheng International Medical Tourism Pilot Zone in Hainan Province with several patients receiving the procedure to date.

In February 2022, Asieris informed Photocure that it had obtained clinical trial application (CTA) approval from the National Medical Products Administration (NMPA) of China, enabling a clinical trial with Hexvix to be conducted in the region. Chinese regulators have required the successful results of this trial to be obtained before granting regulatory approval of the product.



In March 2022, Asieris announced that it had obtained approval from the National Medical Products Administration (NMPA) to conduct a real-world evidence (RWE) study for Hexvix in Hainan, China. This study is expected to enable Asieris to capture real-world Hexvix data from the Hainan Pilot Study in order to augment the Phase III data package and expedite data collection, review and approval in China. On December 12, 2022, Asieris announced that the first patient was dosed in its RWE study.

Additionally, Photocure has signed agreements with IGL Medical Ltd. for Israel, and Genotests SpA for Chile.

[Hexvix/Cysview publications and presentations](#)

In January 2023, an article was published in the medical journal, Urologic Oncology entitled, *Clinical and Economic Impact of Blue Light Cystoscopy in the Management of NMIBC at U.S. Ambulatory Surgical Centers: What is the Site-of-Service Disparity?* A budget impact model (BIM) was built to assess projected ASC costs for a cohort of newly diagnosed bladder cancer patients over a 2-year follow-up comparing white light cystoscopy (WLC) alone versus WLC + BLC. Treatment and surveillance intervals were based on AUA/SUO clinical guidelines. The BIM found that use of BLC identified 5 additional NMIBC recurrences compared to WLC alone. There was an associated increased cost of performing BLC in an ASC setting (\$110 per cystoscopy over a two-year period). If recurrences missed using WLC alone were to progress prior to detection, the model projects an increase in treatment costs borne by Medicare of \$9,097-\$34,538 due to more intensive treatments required for more advanced disease.

[Link to publication](#)

In February 2023, clinical data was presented from the Veterans Affairs (VA) BRAVO study at the ASCO Genitourinary Cancers Symposium (ASCO GU) held in San Francisco. The study showed a significant decrease in the risk of recurrence & longer time to recurrence following Blue Light cystoscopy (BLC) with Cysview compared to White Light cystoscopy (WLC) alone. Median time to first recurrence following BLC was longer vs. WLC alone (40 months vs. 26 months, respectively, HR=0.70, 95% CI). The study abstract entitled, *The Impact of Blue Light Cystoscopy Use Among Non-Muscle Invasive Bladder Cancer Patients in an Equal Access Setting: Implications on Recurrence and Time to Recurrence Stratified by Race* was presented by Dr. Steven Williams, University of Texas-Medical Branch, Galveston. Dr.

Williams concluded that “our findings demonstrate increased support for blue light cystoscopy’s clinical role in reducing bladder cancer recurrence, and that equal access to health care can achieve equitable outcomes. These data support current AUA/SUO guidelines recommending BLC usage in patients with NMIBC to increase detection and decrease recurrence.”

[Link to interview with Dr. Williams](#)

In March 2023 at the European Association of Urology congress in Milan, Italy, two abstracts were presented featuring the blue light cystoscopy procedure. One entitled *Immunological changes following blue light cystoscopy with hexaminolevulinate in bladder cancer*, in which the preliminary findings suggest that BLC-guided TURBT changes the expression of immune cells of both the adaptive and innate immune system compared to WLC-guided TURBT. And the other from the U.S. BLC with Cysview® Registry entitled, *Blue Light Cystoscopy Delays Time to Recurrence in Non-Muscle Invasive Bladder Cancer Patients Treated in a Real-World Setting*, demonstrated that use of BLC significantly decreased the risk of recurrence and prolonged time to recurrence compared to White Light alone (p<0.0001). Additionally, BLC in patients with primary tumors extended the time to recurrence compared to recurrent patients (p<0.001), suggesting that earlier use of BLC may have more favorable long-term outcomes.

[Link to press release and abstracts](#)

Development portfolio update

The Company’s development portfolio mainly consists of projects related to the development of Hexvix/Cysview and activities related to the agreement with Asieris for Cevira®.

[Income statement - Development Portfolio](#)

MNOK	Q1 '23	Q1 '22	FY '22
Total revenues	-	-	18.5
Gross profit	-	-	18.5
Operating expenses	-1.7	-2.5	-8.5
EBITDA	-1.7	-2.5	10.0

Cevira®: in development for the non-surgical treatment of high-grade squamous intraepithelial lesions, including all HPV sub-types

Cevira is a photodynamic drug-device combination product candidate for non-surgical treatment of high-grade cervical dysplasia.



In July of 2019, the Company announced that it had entered into a License Agreement providing Asieris with a world-wide license to develop and commercialize Cevira for the treatment of HPV-induced cervical precancerous lesions.

Subsequently, Asieris launched a global clinical development program initially focused on the Chinese market, based on Photocure's Phase IIb data for patients diagnosed with high grade lesions and Phase III study design elements agreed upon with the U.S. FDA. In July 2020, Asieris announced that it had received Clinical Trial Approval (CTA) from China's National Medical Products Administration (NMPA) for the global, multi-centered Phase III clinical trial of Cevira (APL-1702).

In late 2020, patient enrollment was initiated in Asieris' Phase III study in China. In August 2022, Asieris announced the completion of enrollment in this trial, with a total of 402 patients enrolled. The majority of patients in the study were enrolled in China, with the remainder enrolled in Europe. Further development in Europe and a plan for the U.S. will follow if clinical results from the Chinese-focused Phase III study confirms the safety and efficacy of Cevira. Additional information about the ongoing Phase III trial for Cevira can be found by clicking the following link:

<https://clinicaltrials.gov/ct2/show/NCT04484415?term=Asieris&draw=2&rank=1>

In October 2020, Photocure announced that the European Patent Office (EPO) granted patent EP 2983780 covering the commercial Cevira device in Europe until 2034, adding to the patent portfolio for Cevira.

In November 2020, Asieris announced initial dosing of the first patient in its Global Phase III clinical trial for Cevira, which triggered a USD 1.5 million payment to Photocure. In June 2021, Asieris announced initial dosing of the first European patient in the same trial.

Under the License Agreement with Asieris, Photocure previously received a signing fee of USD 5.0 million in 2019, two milestones totaling USD 3.0 million in 2020 and two milestones totaling USD 2.0 million in 2022. In addition, the Company may receive a total of USD 16.5 million based upon the achievement of certain clinical and regulatory milestones in China, and up to USD 36.0 million for certain clinical and regulatory milestones in the U.S. and the EU. The approval of a second indication in China, the U.S. and Europe would result in payments of up to USD 14.0

million. Sales milestones and royalties of 10% up to 20% will apply in all markets.

Financial review

(Numbers in parentheses are for the corresponding period in 2022; references to the prior year refer to a comparison to the same period 2022, unless otherwise stated).

<i>MNOK</i>	Q1 '23	Q1 '22	Change
Hexvix / Cysview revenues	105.9	81.4	30%
Total other revenues	0.3	0.3	29%
Total revenues	106.2	81.6	30%
Gross profit	99.8	75.6	32%
Operating expenses	-100.9	-89.5	13%
EBITDA	-1.2	-13.9	
Depreciation & amortization	-6.5	-6.0	
EBIT	-7.7	-19.9	
Net financial items	-2.4	-7.4	
Earnings before tax	-10.1	-27.3	
Tax expenses	-1.6	5.3	
Net earnings	-11.7	-22.0	

Revenues

Hexvix/Cysview revenues in the first quarter of 2023 were NOK 105.9 million, a 30% increase versus Q1 2022. The sales increase is driven by a combination of unit growth, price increases and positive effects of foreign currency exchange.

Other revenues were NOK 0.3 million (NOK 0.3 million) in the first quarter of 2023.

Total revenues in the first quarter of 2023 increased 30% to NOK 106.2 million (NOK 81.6 million).

Cost of goods sold (COGS)

First quarter 2023 COGS was NOK 6.5 million (NOK 6.0 million). The increase is mainly driven by higher volume. Total COGS in first quarter 2023 was 6% of sales revenues, in line with COGS for the full year 2022 (6%).

Operating expenses

Total operating expenses, excluding depreciation and amortization, were NOK 100.9 million (NOK 89.5 million) in the first quarter, mainly due to the impact of foreign exchange. Sequentially, from fourth quarter 2022 the operating expenses decreased with 13%, mainly driven by business development costs incurred in Q4 2022.

First quarter 2023 research and development (R&D) costs were NOK 0.6 million (NOK 1.4 million). The R&D costs relate mainly to regulatory work and the



maintenance and expansion of Photocure's intellectual property.

Sales and marketing costs increased by 17% to NOK 75.6 million (NOK 64.7 million) in the first quarter of 2023. The expense increase was mainly driven by foreign exchange. Sequentially, from fourth quarter 2022, the Sales and marketing costs declined with 8%. The decrease is mainly driven by timing of activities.

First quarter 2023 Other operating expenses, which include supply chain, business development, and general/administration costs, were NOK 24.7 million, compared to NOK 23.4 million in the same quarter of 2022. Sequentially, from fourth quarter 2022 the Other operating expenses declined with 25%. The decline was mainly driven by business development costs incurred in Q4 2022.

Financial results

EBITDA was NOK -1.2 million (NOK -13.9 million) for the first quarter of 2023.

First quarter 2023 depreciation and amortization were NOK 6.5 million (NOK 6.0 million). The main cost item was the amortization of intangible assets related to the return of Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen.

Net financial items in the first quarter of 2023 were NOK -2.4 million (NOK -7.4 million). Net financial costs were driven by foreign exchange losses, as well as accrued interest costs included for the deferred earnout liability due to Ipsen, partially offset by gains on foreign exchange and incurred interest income.

Photocure experienced a net loss before tax of NOK 10.1 million in the first quarter of 2023 (net loss of NOK 27.3 million). Net earnings were a loss of NOK 11.7 million for the first quarter of 2023 (net loss of NOK 22.0 million).

Cash flow and statement of financial position

Net cash flow from operations was NOK -9.1 million in the first quarter of 2023 (NOK -22.1 million). The negative cash flow from operations in 2023 was mainly driven by working capital development.

First quarter 2023 net cash flow from investments was NOK 0.6 million (NOK 0.5 million).

First quarter 2023 cash flow from financing was NOK -13.5 million (NOK -15.8 million). First quarter cash

flow from financing included repayment of long-term debt (Nordea) of NOK 6.3 million and paid earnout of NOK 8.0 million. Photocure expects to make its last payment of NOK 6.3 million on the Nordea loan in Q2 2023, after which the Company will have no remaining term debt.

Net change in cash was for the first quarter of 2023 NOK -22.0 million (NOK -37.4 million). Cash and cash equivalents were NOK 246.0 million at the end of first quarter 2023.

Long term liabilities were NOK 165.6 million at the end of the first quarter 2023, including capitalized value of expected future earn-out payments to Ipsen totaling NOK 133.4 million.

Shareholders' equity was NOK 455.3 million at the end of first quarter 2023, representing an equity ratio of 64%.

As of March 31, 2023, Photocure held 15,122 of its own shares.

Risks and uncertainty factors

Photocure is exposed to risk and uncertainty factors, which may affect some or all of the Company's activities. Photocure has commercial risk, financial risk, market risk, legal and regulatory risk, as well as operational risk and risk related to the development of new products.

The Company is exposed to risks associated with market development for Hexvix/Cysview, progress of partnering activities, the availability and operating condition of capital equipment supplied by third-party companies, as well as financial risks related to inflation, interest rates, liquidity and currency fluctuations.

As described in the Company's Annual Report for 2022, factors related to healthcare delivery in the post-Covid-19 environment are still having residual impact on the business and are subject to ongoing attention by Company Management and the Board of Directors.

There are no significant changes in the risks and uncertainty factors compared to the descriptions in the Annual Report for 2022.



Subsequent events

At the Annual General Meeting on 3 May 2023, Malene Brondberg and Dylan Hallerberg were appointed as members of the board of directors at Photocure ASA, replacing Anders Tuv and Anne Worsøe.

Outlook

Photocure delivers transformative solutions that improve the lives of bladder cancer patients. Based on benefits of the Company's breakthrough product for the management of bladder cancer, Hexvix/Cysview, the Company has embarked on a stepwise approach for continued growth. Photocure sees significant long-term potential in the global bladder cancer treatment market and employs the following growth strategy:

- Acceleration – Drive the breadth and depth of Hexvix/Cysview usage in key accounts
- Expansion – Generate sales in new geographies and via product enhancements
- Acquisition – Find and acquire or partner additional products used in the management of bladder cancer patients
- Transformation – Acquire assets to strengthen the Company's uro-oncology product portfolio.

North America and Europe are Photocure's primary markets for growth, given the Company's two direct sales forces and a majority of the market still to be penetrated by Hexvix/Cysview with BLC. Photocure regained the sales and marketing rights to Hexvix in continental Europe in the fourth quarter of 2020 and

regained the rights to Cysview in Canada in January 2022. As a result, the Company remains positioned to take advantage of the growth opportunity throughout these regions.

Photocure believes that the benefits of Blue Light Cystoscopy with Hexvix/Cysview offering superior detection and management of bladder cancer will continue to be adopted and become the standard of care. Indicators of an anticipated rebound in growth of the Company's business are: (1) continued strong demand for new BLC capital equipment in North America, (2) increasing momentum the urology community as observed at the recent European Association of Urology and American Urological Association congresses with multiple sessions including discussions about BLC, and (3) a rebound back to growth in unit sales in Q1 2023 in both the Company's North American and European business segments. Photocure plans to continue supporting its commercial efforts with additional clinical publications in scientific journals and data presentations at medical conferences to underscore the clinical benefits and cost-effectiveness of using BLC with Hexvix/Cysview.

Ongoing healthcare staffing shortages and inflationary pressures leading to hospital budget tightening, as well as the anticipated phase down of flexible BLC equipment in the coming quarters present challenges in 2023 for Photocure's business. Considering these challenges, Photocure has issued the following guidance: In 2023, the Company expects new Saphira™ blue light tower installations in the range of 65 to 75, consolidated product revenue growth above 20%, and positive EBITDA excluding business development spending.

The Board of Directors and CEO
Photocure ASA

Oslo, May 09, 2023

Jan Hendrik Egberts
Chairperson

Malene Brondberg
Director

Dylan Hallerberg
Director

Johanna Holldack
Director

Neal Shore
Director

Dan Schneider
President and CEO



Photocure Group

Accounts for first quarter 2023

Photocure Group – Statement of comprehensive income

		2023	2022	2022
<i>(all amounts in NOK 1,000 except per share data)</i>	Note	1.1 - 31.03	1.1 - 31.03	1.1 - 31.12
Sales revenues		106,242	81,603	374,474
Signing fees and milestone revenues	7	-	-	18,658
Total revenues		106,242	81,603	393,132
Cost of goods sold		-6,481	-6,028	-22,697
Gross profit		99,761	75,575	370,434
Indirect manufacturing expenses	3	-3,302	-3,769	-15,371
Research and development expenses	3	-588	-1,360	-3,342
Marketing and sales expenses	3	-79,995	-68,984	-303,434
Other operating expenses	3	-23,536	-21,342	-97,290
Total operating expenses		-107,421	-95,455	-419,437
EBIT		-7,659	-19,880	-49,003
Financial income		5,811	328	9,218
Financial expenses		-8,257	-7,703	-31,349
Net financial profit/loss(-)		-2,446	-7,375	-22,131
Profit/loss(-) before tax		-10,105	-27,256	-71,134
Tax expenses	4	-1,626	5,271	-723
Net profit/loss(-)		-11,732	-21,985	-71,857
Other comprehensive income		-71	-4,794	2,202
Total comprehensive income		-11,803	-26,779	-69,654
Net profit/loss(-) per share, undiluted	5	-0.43	-0.82	-2.66
Net profit/loss(-) per share, diluted	5	-0.43	-0.82	-2.66



Photocure Group – Statement of financial position

<i>(Amounts in NOK 1,000)</i>	Note	31.03.2023	31.03.2022	31.12.2022
Non-current assets				
Customer relationship	6	125 041	141 713	129 209
Goodwill	6	144 000	144 000	144 000
Fixed assets	6	34 308	31 762	32 479
Deferred tax asset	4	53 636	58 423	55 120
Total non-current assets		356 984	375 897	360 808
Current assets				
Inventories		26 622	22 077	26 534
Accounts receivable		58 276	43 317	47 164
Other receivables		18 037	11 340	16 455
Cash and short term deposits	9	246 036	285 480	268 073
Total current assets		348 970	362 214	358 226
Total assets		705 954	738 111	719 034
Equity and liabilities				
Equity				
Share capital	11	13 560	13 488	13 560
Other paid-in capital		443 478	414 692	440 415
Retained earnings		-1 714	52 819	8 758
Shareholders' equity		455 324	480 999	462 733
Long-term liabilities				
Earnout liability	8, 9	133 066	138 886	135 333
Long term loan financial institution	10	-	6 250	-
Other long-term liabilities		32 549	31 632	31 794
Total long-term liabilities		165 615	176 768	167 127
Accounts payable		17 987	14 739	21 281
Short term part of longterm liability	10	6 250	25 000	12 500
Other short-term liabilities		60 777	40 604	55 394
Total liabilities		250 629	257 111	256 301
Total equity and liabilities		705 954	738 111	719 034



Photocure Group – Changes in equity

	2023	2022	2022
<i>(Amounts in NOK 1,000)</i>	1.1 - 31.03	1.1 - 31.03	1.1 - 31.12
Equity at end of prior period	462,733	502,632	502,632
Capital increase	-	215	7,569
Share-based compensation (share options employees)	4,394	4,941	22,176
Own shares	-	-10	11
Comprehensive income	-11,803	-26,779	-69,654
Equity at end of period	455,324	480,999	462,733

Photocure Group – Cash flow statement

	2023	2022	2022
<i>(Amounts in NOK 1,000)</i>	1.1 - 31.03	1.1 - 31.03	1.1 - 31.12
Profit/loss(-) before tax	-10,105	-27,256	-71,134
Depreciation and amortisation	6,503	6,000	24,378
Share-based compensation	4,394	4,941	22,176
Interest income	-2,396	-706	-2,147
Interest costs	6,669	6,029	25,804
Remeasured earnout	-	-	758
Unrealized currency (- gains) / losses	-2,350	2,075	763
Changes in working capital	-10,691	-8,530	-180
Other operational items	-1,143	-4,657	-2,435
Net cash flow from operations	-9,119	-22,104	-2,018
Net investments in fixed assets	-1,836	-196	-3,609
Received interest payments	2,396	706	2,147
Cash flow from investments	560	510	-1,462
Share capital increase employees	-	215	7,570
Paid earnout	-7,964	-7,643	-29,390
Payment of lease liability	1,078	-1,833	-3,164
Long term loan	-6,250	-6,250	-25,000
Other financial payments and transactions	-342	-309	-1,358
Cash flow from financing activities	-13,478	-15,821	-51,342
Net change in cash during the period	-22,037	-37,415	-54,822
Cash & cash equivalents at beginning of period	268,073	322,895	322,895
Cash & cash equivalents at end of period	246,036	285,480	268,073

Notes to the accounts for first quarter 2023

Note 1 – General accounting principles

General information

Photocure ASA is a public limited company domiciled in Norway. The business of the Company is associated with development, production, distribution, marketing and sales of pharmaceutical products and related technical medical equipment. The Company's shares are listed on the Oslo Stock Exchange (OSE: PHO). The Company's registered office is Hoffsvveien 4, NO-0275 Oslo, Norway.

Photocure Group (Photocure) comprises Photocure ASA and three wholly owned subsidiaries; Photocure Inc. registered in U.S, Photocure GmbH registered in Germany, Photocure SAS registered in France and Photocure Canada Inc. registered in Canada.

Basis of preparation

These condensed interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*. These interim financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2022 (the Annual Financial Statements) as they provide an update of previously reported information.

The interim report has not been subject to an audit. The Board of Directors approved the interim financial statements on May 09, 2023.

Photocure performs the sales and distribution of Hexvix in the European markets. Photocure has established wholly owned subsidiaries in Germany (Photocure GmbH) and France (Photocure SAS) that provide marketing and promotion services. These entities have Euro (EUR) as functional currency. The sales, marketing and distribution in the U.S. are performed through Photocure's wholly owned subsidiary Photocure Inc. and Photocure Canada Inc. under the trade name Cysview. Photocure Inc. has U.S. dollars (USD) as functional currency while Photocure Canada Inc. has Canadian dollars (CAD) as functional currency.

Photocure ASA has Norwegian kroner (NOK) as its functional currency and presentation currency. In the absence of any statement to the contrary, all financial information is reported in whole thousands. As a result of rounding adjustments, the figures in the financial statements may not add up to the totals.

Important accounting valuations, estimates and assumptions

Photocure has in 2020 re-acquired the Hexvix sales, marketing and distribution rights in Europe and other markets previously controlled by Ipsen Pharma SAS. The residual value in the acquisition constituted goodwill and is tested at end of 2022 for impairment. The contingent consideration was measured at fair value at the date of acquisition and is remeasured at fair value as of December 31, 2022. The changes in the fair value are recognized in profit or loss as financial income or expense.

Preparation of the accounts in accordance with IFRS requires the use of judgment, estimates and assumptions that have consequences for recognition in the balance sheet of assets and liabilities, the estimation of contingent liabilities and recorded revenues and expenses. The use of estimates and assumptions is based on the best discretionary judgement of the Group management.



Note 2 - Photocure Group – Segment information

Photocure has two segments: Commercial Franchise and Development Portfolio. Commercial Franchise includes Hexvix/Cysview by geography (North America and Europe) and other sales (partners and other products including sales revenues for Hivec). Development Portfolio includes development of pipeline products.

1.1-31.3 2023

(Amounts in NOK 1 000)	Hexvix Europe	Cysview North Am	Other Sales	Total Sales	Total R&D	Grand Total
Sales revenues	63 569	42 136	538	106 242	-	106 242
Milestone revenues	-	-	-	-	-	-
Cost of goods sold	-4 984	-1 395	-102	-6 481	-	-6 481
Gross profit	58 585	40 740	436	99 761	-	99 761
Gross profit of sales %	92 %	97 %	81 %	94 %		94 %
R&D	-123	-35	-	-158	-429	-588
Sales & marketing	-32 144	-42 559	-744	-75 447	-200	-75 647
Other & allocations	-12 625	-9 776	-1 163	-23 564	-1 120	-24 684
Operating expenses	-44 893	-52 370	-1 907	-99 169	-1 749	-100 918
EBITDA	13 692	-11 629	-1 471	592	-1 749	-1 157

1.1-31.3 2022

(Amounts in NOK 1 000)	Hexvix Europe	Cysview North Am	Other Sales	Total Sales	Total R&D	Grand Total
Sales revenues	50 448	30 473	682	81 603	-	81 603
Milestone revenues	-	-	-	-	-	-
Cost of goods sold	-4 742	-1 127	-159	-6 028	-	-6 028
Gross profit	45 706	29 345	524	75 575	-	75 575
Gross profit of sales %	91 %	96 %	77 %	93 %		93 %
R&D	-384	-102	-	-486	-874	-1 360
Sales & marketing	-25 496	-38 390	-636	-64 522	-193	-64 715
Other & allocations	-11 633	-8 306	-2 041	-21 979	-1 401	-23 380
Operating expenses	-37 512	-46 798	-2 677	-86 987	-2 468	-89 455
EBITDA	8 193	-17 452	-2 153	-11 412	-2 468	-13 880



1.1-31.12 2022

	Hexvix Europe	Cysview North Am	Other Sales	Total Sales	Total R&D	Grand Total
(Amounts in NOK 1 000)						
Sales revenues	221 826	150 784	1 863	374 474	-	374 474
Milestone revenues	-	-	152	152	18 506	18 658
Cost of goods sold	-16 810	-4 835	-1 052	-22 697	-	-22 697
Gross profit	205 016	145 950	963	351 929	18 506	370 435
Gross profit of sales %	92 %	97 %	44 %	94 %		94 %
R&D	-1 211	-322	-	-1 533	-1 809	-3 342
Sales & marketing	-118 563	-163 565	-3 619	-285 747	-645	-286 392
Other & allocations	-52 758	-38 355	-8 177	-99 290	-6 038	-105 328
Operating expenses	-172 532	-202 242	-11 795	-386 570	-8 492	-395 062
EBITDA	32 484	-56 292	-10 832	-34 641	10 013	-24 627



Note 3 – Income statement classified by nature

INCOME STATEMENT CLASSIFIED BY NATURE

	2023	2022	2022
<i>(Amounts in NOK 1 000)</i>	1.1-31.03	1.1-31.03	1.1-31.12
Sales revenues	106,242	81,603	374,474
Signing fees and milestone revenues	-	-	18,658
Cost of goods sold	-6,481	-6,028	-22,697
Gross profit	99,761	75,575	370,434
Payroll expenses	-68,660	-59,252	-244,881
R&D costs excl. payroll expenses/other op	-429	-874	-1,809
Ordinary depreciation and amortisation	-6,503	-6,000	-24,378
Other operating expenses	-31,828	-29,330	-148,370
Total operating expenses	-107,421	-95,455	-419,437
EBIT	-7,659	-19,880	-49,003

Note 4 – Tax

<i>(Amounts in NOK 1 000)</i>	3/31/2023	12/31/2022
Income tax expense		
Tax payable	-142	-2,840
Changes in deferred tax	-1,484	2,117
Total income tax expense(-)/income	-1,626	-723
Tax base calculation		
Profit before income tax	-303	-61,021
Permanent differences	7,047	49,534
Temporary differences	-17,068	-35,757
Change in tax loss carried forward	10,324	47,244
Tax base	-	-0
Temporary differences:		
Total	-163,424	-146,356
Tax loss carried forward	407,225	396,901
Net temporary differences	243,801	250,545
Deferred tax benefit	243,801	250,545
Deferred tax asset	53,636	55,120

Temporary differences are recognized for the parent company only and the note disclosure for the Group is of this reason identical to the disclosure for parent company.

The calculation of deferred tax asset March 31, 2023 and December 31, 2022 is based on a tax rate of 22%. The deferred tax asset is decreased to NOK 53.6 million due to movements in tax loss in the period. The deferred tax asset was NOK 55.1 million as of December 31, 2022. There is no expiry on losses to be carried forward in Norway. The basis for recognition of a tax asset in Norway are the expected future profits according to the business plan for all major markets and the assumption that temporary differences for the coming years will be reversed.

For further information refer to the consolidated financial statements for the year ended 31 December 2022 Note 11.

Note 5 – Earnings per share

Earnings per share are calculated on the basis of the profit/loss for the year after tax but excluding other comprehensive items. The result is divided by the weighted average number of outstanding shares over the year, reduced by acquired treasury shares. The diluted earnings per share is calculated by adjusting the average number of outstanding shares by the number of employee options that can be exercised. Antidilution effects are not taken into consideration.

	2023	2022
<i>(Figures indicate the number of shares)</i>	1.1-31.03	1.1-31.12
Issued ordinary shares 1 January	27,120,820	26,973,820
Effects of share options exercised	-	82,017
Effect of treasury shares	-15,122	-20,861
Effect of shares issued	-	-
Weighted average number of shares	27,105,698	27,034,976
Effect of outstanding share options	78,975	113,759
Weighted average number of diluted sha	27,184,673	27,148,735
Earnings per share in NOK	-0.43	-2.66
Earnings per share in NOK diluted	-0.43	-2.66

Note 6 – Intangible and Fixed Assets

INTANGIBLE AND FIXED ASSETS

<i>(Amounts in NOK 1 000)</i>	Customer		Fixed assets			Total fixed assets
	Goodwill	relations	Right of use	Equipment	Intangibles	
Net book value 31.12.2022	144,000	129,209	26,092	4,714	1,674	32,480
Net investments and revaluation 2023	-	-	2,135	1,828	199	4,162
Depreciation and amortization	-	-4,168	-1,660	-446	-229	-2,335
Net book value 31.03.2023	144,000	125,041	26,567	6,096	1,644	34,307

Goodwill amounts to NOK 144 million and relate to the Hexvix sales, marketing and distribution rights in Europe previously controlled by Ipsen Pharma SAS (Ipsen) that were acquired by Photocure on October 1, 2020. The goodwill is not depreciated but was tested against impairment as of end December 2022. The impairment analysis carried out confirmed the goodwill value given the performance in 2022 and future growth opportunities that are expected to exceed forecasts prepared in connection with the transaction.

The customer relationships relate to existing customers in Europe which have previously been served by Ipsen. Customer relationships has been valued using a multiperiod excess earnings method and the value 1 October 2020 was NOK 166.7 million. Photocure has evaluated this asset to have an estimated value for 10 years and the intangible assets is depreciated on a straight-line basis over this period.

The right of use assets include the office rental agreements for Norway, US and Germany. In addition, a company car fleet related to the sales organization in Germany is included. The related lease liability is measured at the present value of the lease payments that are not paid at the commencement, discounted using the Groups incremental borrowing rate as the discount rate. The lease liabilities as of March 31, 2023 are NOK 27.5 million compared to NOK 27.0 million as of December 31, 2023 and the interest expense is NOK 184 thousand.

Note 7 – Signing fee

Photocure received two milestone payments from Asieris related to the ongoing clinical development of Cevira in 2022 of USD 1 million each (NOK 18.6 million).

Note 8 – Earnout

Ipsen receives a deferred consideration with 15% of net sales (years 1-7 post-transfer) and 7.5% of net sales (years 8-10) in the previous Ipsen major markets. The deferred consideration is paid as quarterly earnout payments in EURO after the close of the quarter. Photocure has as of end March 2023 paid earnout installments with NOK 1.3 million compared to NOK 5.7 million in total 2022. The remaining deferred consideration amounts to NOK 133.1 million as of 31 March 2023.

The fair value of the deferred consideration is driven by future expected sales and is remeasured on a yearly basis. Photocure carried out a remeasurement as of December 31, 2022. The remeasurement resulted in a fair value of NOK 135.3 million, reflecting an increase of fair value of NOK 0.8 million. The increased fair value has been recognized in the profit or loss statement as a financial cost. To arrive at the remeasured fair value of NOK 135.3 million, Photocure has discounted the estimated earnout payments by an IRR equal to the IRR applied at license acquisition. This IRR has been deemed appropriate as a discount rate for the earnout payments since the level of the payments will be subject to the same risk factors as the cash flow prognosis for the acquisition. Future sales, given performance in 2022 and growth opportunities going forward, are expected to confirm forecasts prepared in connection with the transaction.

Note 9 – Fair value financial assets

The table below details financial assets recognized in the balance sheet at fair value according to the valuation method. The different levels have been defined as follows:

Level 1: Noted prices in active markets for corresponding assets or liabilities

Level 2: Available value measurements other than the noted prices classified as Level 1, either directly observable in the form of agreed prices or indirectly as derived from the price of equivalent.

Level 3: Value measurements of assets or liabilities that are not based on observed market values

Market value hierarchy <i>(Amounts in NOK 1 000)</i>	Level 1	Level 2	Level 3	Total
- Money market funds	224,598	-	-	224,598
- Earnout liability			-133,066	-133,066
Total	224,598	-	-133,066	

Note 10 – Long term loan

Photocure received in the second quarter of 2020 a loan of NOK 50 million from Nordea. The loan is secured under the State Guarantee Scheme for Loans to SME's (Covid-19 related). The loan carries a floating interest, effective interest rate at end of the current quarter is 5.4%. The loan is a 3-year term loan, first year interest only, thereafter quarterly repayments of NOK 6.25 million from September 2021. The loan balance as of end March 2023, is NOK 6.25 million of which all are due within next 3 months.



Note 11 – Share capital

Registered share capital in Photocure ASA amounts to:

	No. of shares	Nominal value per share	Share capital in NOK
Share capital at 31 December 2022	27,120,820	NOK 0.50	13,560,410
Share capital at 31 March 2023	27,120,820	NOK 0.50	13,560,410
Treasury shares:			
Holdings of treasury shares at 31 December 2022	15,122		7,971
Sale/Buy-back of shares	-	NOK 0.50	-
Sale(-)/Buy-back of restricted shares	-	NOK 0.50	-
Holdings of treasury shares at 31 March 2023	15,122		7,971

The table below indicates the status of authorizations as of March 31, 2023:

	Purchase, treasury shares	Ordinary share issue	Employee share issues
<i>(Figures indicate the number of shares)</i>			
Authorisation issued at the General Meeting on 28 April 2022	2,697,657	5,395,314	750,000
Share issues after the General Meeting on 28 April 2022	-	-	144,250
Purchase of treasury shares after 28 April 2022	-205	-	-
Remaining under authorisations at 31 March 2023	2,697,452	5,395,314	605,750

Shares owned, directly or indirectly, by members of the board, the President and CEO and senior management and their closely related associates as of March 31, 2023:

Name	Position	No. of shares	No. of subscription rights
Daniel Schneider	President & CEO	99,689	325,000
Erik Dahl	Chief Financial Officer	32,750	192,500
Geoffrey Coy	VP & General Manager North America	15,207	212,500
Grete Hogstad	VP Global Strategic Marketing & BD	30,719	112,500
Anders Neijber	VP Global Medical Affairs and Clinical Development	-	88,000
Susanne Strauss	VP & General Manager Europe	1,392	200,000
Jan H. Egbert	Chairperson of the board	14,500	1,312
Johanna Holldack	Board member	-	804
Neal Shore	Board member	-	804
Anders Tuv*	Board member	679,619	804
Anne Worsøe	Board member	-	804

* Anders Tuv represents RADFORSK Investeringsstiftelse



Note 12 – Share options

On March 31 2023, employees in Photocure participated in the following share option schemes:

Year of allocation	2023	2022	2021	2020	2020
Option program	2022	2022	2021	2020	2019
Number	33,900	714,028	691,000	344,250	81,500
Exercise price (NOK)	85.78	114.89-115.70	87.39 - 145.27	78.65 - 81.41	50.72 - 56.83
Year of expiry	2028	2027	2026	2025	2024

The number of employee options, including conditional grants, and average exercise prices for Photocure, and development during the year:

	3/31/2023		12/31/2022	
	No. of shares	Average exercise price (NOK)	No. of shares	Average exercise price (NOK)
Outstanding at start of year	1,922,778	116.04	1,355,750	109.61
Allocated during the year	33,900	85.78	716,028	114.90
Become invalid during the year	92,000	110.29	2,000	87.39
Exercised during the year	-	-	147,000	51.49
Expired during the year	-	-	-	-
Outstanding at end of period	1,864,678	115.78	1,922,778	116.04
Exercisable options at end of period	420,500	101.48	448,000	101.30



Note 13 – Shareholders

Overview of the major shareholders as of March 31, 2023:

Name	Citizen	Account type	Holding	%
Morgan Stanley & Co. LLC	United States	Nominee	3,859,939	14.23%
Skandinaviska Enskilda Banken AB	Sweden	Nominee	1,794,000	6.61%
Skandinaviska Enskilda Banken AB	Ireland	Nominee	1,275,601	4.70%
Skandinaviska Enskilda Banken AB	Sweden	Nominee	720,644	2.66%
RADFORSK INVESTERINGSSTIFTELSE	Norway	Ordinary	679,619	2.51%
Nordnet Bank AB	Sweden	Nominee	541,430	2.00%
The Bank of New York Mellon SA/NV	Ireland	Nominee	515,000	1.90%
SKANDINAVISKA ENSKILDA BANKEN AB	Luxembourg	Nominee	500,000	1.84%
MP PENSJON PK	Norway	Ordinary	478,026	1.76%
The Northern Trust Comp, London Br	United Kingdom	Nominee	445,227	1.64%
The Bank of New York Mellon	United States	Nominee	416,628	1.54%
JPMorgan Chase Bank, N.A., London	United Kingdom	Nominee	414,396	1.53%
Skandinaviska Enskilda Banken AB	Sweden	Nominee	412,990	1.52%
The Bank of New York Mellon SA/NV	Denmark	Nominee	400,000	1.47%
VERDIPAPIRFONDET KLP AKSJENORGE	Norway	Ordinary	375,630	1.39%
Skandinaviska Enskilda Banken AB	Finland	Nominee	373,000	1.38%
Avanza Bank AB	Sweden	Nominee	328,422	1.21%
The Bank of New York Mellon SA/NV	United Kingdom	Nominee	311,751	1.15%
State Street Bank and Trust Comp	United Kingdom	Nominee	300,000	1.11%
The Bank of New York Mellon	United States	Nominee	276,794	1.02%
Total 20 largest shareholders			14,419,097	53.17%
Total other shareholders			12,701,723	46.83%
Total number of shares			27,120,820	100.00%

Photocure Group – Alternative Performance Measures

(Information provided based on Guidelines on Alternative Performance Measures (APMs) for listed issuers by The European Securities and Markets Authority - ESMA)

Photocure reports certain performance measures that are not defined under IFRS, but which represent additional measures used by the Board and management in assessing performance as well as for reporting both internally and to shareholders. Photocure believes that the presentation of these non-IFRS performance measures provides useful information which provides readers with a more meaningful understanding of the underlying financial and operating performance of the Company when viewed in conjunction with the IFRS financial information.

Photocure uses the following alternative performance measures.

EBITDA & EBIT

Photocure regards EBITDA as the best approximation to pre-tax operating cash flow and reflects cash generation before working capital changes and capex. EBITDA is widely used by investors when evaluating and comparing businesses and provides an analysis of the operating results excluding depreciation and amortization. The non-cash elements depreciation and amortization may vary significantly between companies depending on the value and type of assets.

The definition of EBITDA is "Earnings Before Interest, Tax, Depreciation and Amortization."

The reconciliation to the IFRS accounts is as follows:

	2023 Q1	2022 Q1	2022 Full Year
<i>(All amounts in NOK 1 000)</i>			
Gross profit	99,761	75,575	370,434
Operating expenses excl depreciation & amortization	-100,918	-89,455	-395,061
EBITDA	-1,156	-13,880	-24,627
Depreciation & amortization	-6,503	-6,000	-24,376
EBIT	-7,659	-19,880	-49,003

Revenue growth in constant currency

Photocure's business is conducted internationally and in respective local currency. Less than 5% of the revenue is conducted in Norwegian kroner, Photocure's functional currency. Fluctuations in foreign exchange rates may have a significant impact on reported revenue in Norwegian kroner. To eliminate the translational effect of foreign exchange and to better understand the revenue development in the various regions, Photocure provides calculated revenue growth information by region and in total for the Company. The average exchange rates used to translate revenues as per the reporting dates were as follows:

	2023 Q1	2022 Q1	2022 Full Year
USD (NOK per 1 USD)	10.23	8.85	9.61
EUR (NOK per 1 EUR)	10.98	9.94	10.10



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